

Message Text

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ORIGIN PM-05

INFO OCT-01 ARA-10 ISO-00 HA-05 EB-08 MCE-00 CIAE-00
INR-10 NSAE-00 L-03 H-01 AID-05 ACDA-12 TRSE-00
OMB-01 NSC-05 COME-00 SP-02 /068 R

DRAFTED BY PM/SAS:RTITUS:L/PM:TBOREK:RG
APPROVED BY PM/SAS:HMCELROY
ARA/ECA:NBOUTON:JBUMPUS (INFO)
ARA/RPP:SQUIGG (INFO)
HA/HR:EOJONES (INFO)
DOD/ISA/DSAA:JBILLINGS (INFO)
DOD/ISA:IA:JTHOMAS (INFO)
PM/SAS:IPERNICK

-----047148 311921Z /12

R 311620Z AUG 78
FM SECSTATE WASHDC
TO AMEMBASSY BUENOS AIRES
INFO SECDEF WASH DC 1129
AMEMBASSY SANTIAGO
USCINCSO QUARRY HTS. CZ

C O N F I D E N T I A L STATE 221629

E.O. 11652: GDS

TAGS: MARR, MASS, MMOL, SHUM, AR

SUBJECT: IMPLEMENTATION OF SEC. 620B OF FAA OF 1961, AS
AMENDED

REF: BUENOS AIRES 5747

1. FOLLOWING COMMENTS REPLY SERIALLY TO QUESTIONS IN
REFTEL.

A. DEFENSE ARTICLES AND SERVICES FOR WHICH FMS CONTRACTS
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WERE SIGNED BEFORE OCTOBER 1, 1978 MAY BE DELIVERED
(SO-CALLED PIPELINE DELIVERIES) AFTER THAT DATE. THERE IS
NO RPT NO PRESELECTED TIME PERIOD WITHIN WHICH ALL PIPE-
LINE MATERIEL MUST BE DELIVERED. THE ONLY MEANS BY WHICH
PIPELINE DELIVERIES COULD BE INTERRUPTED OR TERMINATED
WOULD BE BY FURTHER ACT OF CONGRESS OR BY POLICY DECISION
OF EXECUTIVE BRANCH.

B. FOR PURPOSES OF SECTION 620B OF FAA, AN FMS "SALE" TAKES PLACE UPON CONCLUSION OF SALES CONTRACT, I.E. LETTER OF OFFER HAS BEEN ISSUED BY USG AND ACCEPTED ON BEHALF OF GOA. INsofar AS LICENSING OF EXPORT OF COMMERCIALY-SOLD MUNITIONS LIST ARTICLES OR SERVICES IS CONCERNED, CRITICAL FACTOR IS ISSUANCE OF EXPORT LICENSE ON OR BEFORE SEPTEMBER 30; SUCH ITEMS OR SERVICES MAY BE EXPORTED AFTER THAT DATE UNDER VALID LICENSE ISSUED PREVIOUSLY.

C. "DEFENSE ARTICLE AND DEFENSE SERVICE" FOR FMS PURPOSES IS ANYTHING SOLD ON THAT BASIS, REGARDLESS OF WHETHER IT IS ON MUNITIONS LIST. INsofar AS EXPORT LICENSING IS CONCERNED "DEFENSE ARTICLE AND DEFENSE SERVICE" REFERS ONLY TO ITEMS AND DATA ENCOMPASSED BY THE MUNITIONS LIST. COMMERCIALY-SOLD MUNITIONS LIST ITEMS OR DATA REQUIRE LICENSE BEFORE THEY MAY BE EXPORTED; IN MANY CASES, DEPENDING ON THE PARTICULAR CIRCUMSTANCES, EXPORT LICENSES MAY BE REQUIRED FOR MUNITIONS LIST ITEMS OR DATA SOLD UNDER FMS AS WELL.

D. (1) SECTION 620B WILL HAVE NO EFFECT ON SUPPLY SUPPORT ARRANGEMENTS FOR WHICH FMS CONTRACTS WERE CONCLUDED PRIOR TO OCTOBER 1. EXPORTS OF MUNITIONS LIST ITEMS PROCURED PURSUANT TO SUPPLY SUPPORT ARRANGEMENTS (OR ANY OTHER FMS CONTRACT) MAY TAKE PLACE ON OR AFTER OCTOBER 1 SO LONG AS CONFIDENTIAL

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VALID EXPORT LICENSE THEREFOR IS ISSUED PRIOR TO THAT DATE, UNLESS EXPORT TRANSACTION IS SO ARRANGED AS TO FALL WITHIN ONE OF THE EXEMPTIONS PROVIDED FOR IN THE INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR) SO THAT NOSUCH LICENSE WOULD BE REQUIRED, E.G. WHERE EXPORT IS CARRIED OUT BY USG AGENCY ITSELF, IS VIA U.S. GOVERNMENT BILL OF LADING, OR WHERE ACTUAL TRANSFER OF POSSESSION IS EFFECTED IN U.S. BY U.S.G. AGENCY TO ARGENTINE GOVERNMENT OR ITS CARRIER. SUPPLY SUPPORT ARRANGEMENTS EXPIRING AFTER SEPTEMBER 30 CANNOT BE REINSTATED IF SUCH REINSTATEMENT REQUIRES CONCLUSION OF NEW FMS CONTRACT; NEW COMMERCIAL ARRANGEMENTS COULD BE ENTERED INTO, ALTHOUGH NO LICENSE COULD BE ISSUED FOR EXPORT OF MUNITIONS LIST ARTICLES OR DATA THEREUNDER.

(2) YOU SHOULD NOTE THAT SECTION 210 OF SUPPLEMENTAL APPROPRIATIONS ACT, 1978 (P.L. 95-240) PERMITS RENEWAL OR REISSUANCE OF EXPORT LICENSE EXPIRING AFTER SEPTEMBER 30 SO LONG AS SUCH LICENSE IS NOT CHANGED "SIGNIFICANTLY". THIS PROVISION IS INTENDED TO PERMIT LICENSES TO BE ISSUED TO REPLACE EXPIRING LICENSES SO THAT COMMERCIAL CONTRACTS CALLING FOR EXPORTS OF MUNITIONS LIST ITEMS OVER A PERIOD GREATER THAN ONE YEAR (MAXIMUM PERIOD FOR WHICH EXPORT

LICENSES MAY BE ISSUED) MAY BE PERFORMED. SECTION 210 OF P.L. 95-240 WOULD NOT REPEAT NOT ALLOW ISSUANCE OF LICENSES AFTER SEPTEMBER 30 FOR EXPORTS UNDER NEW CONTRACTS, EVEN IF SUBJECT MATTER OF SUCH CONTRACTS IS MERELY CONTINUATION OF PREVIOUS CONTRACT, E.G. EXTENSION OF EXPIRED SUPPLY SUPPORT ARRANGEMENT.

2. YOU SHOULD ALSO NOTE THAT FACT THAT SECTION 620B DOES NOT PROHIBIT DELIVERIES UNDER EXISTING FMS CONTRACTS OR

EXPORTS UNDER PREVIOUSLY-ISSUED LICENSES DOES NOT REPEAT NOT MEAN THAT USG MAY NOT, IF AND WHERE APPROPRIATE, PRECLUDE DELIVERY OR EXPORT AS MATTER OF ADMINISTRATIVE DISCRETION. WE WOULD WISH TO AVOID MISUNDERSTANDINGS WITH CONFIDENTIAL

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GOA ON THIS POINT. CHRISTOPHER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, ARMS EMBARGO
Control Number: n/a
Copy: SINGLE
Draft Date: 31 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE221629
Document Source: CORE
Document Unique ID: 00
Drafter: RTITUS:L/PM:TBOREK:RG
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780356-0533
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t1978083/aaaaabwf.tel
Line Count: 137
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 8e17a45c-c288-dd11-92da-001cc4696bcc
Office: ORIGIN PM
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 BUENOS AIRES 5747
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 08 jul 2005
Review Event:
Review Exemptions: n/a
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Review Release Date: n/a
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SAS ID: 1637332
Secure: OPEN
Status: NATIVE
Subject: IMPLEMENTATION OF SEC. 620B OF FAA OF 1961, AS AMENDED
TAGS: MARR, MASS, MMOL, SHUM, AR, US
To: BUENOS AIRES
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/8e17a45c-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
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